

MEETING SUMMARY NOTES

Cost Savings and Efficiency Work Group

November 26, 2002

Conference Room 113, County-City Building

MEMBERS: Patte Newman, Jon Carlson, Russ Bayer, Mark Brohman, Melinda Pearson, Carol Brown, Mark Hunzeker, Greg MacLean, Brian Carstens, Duane Eitel, Roger Reynolds, Jennifer Brinkman, Rick Krueger, Jerry Schleich, Greg Wood, Allan Abbot (non voting); Absent: Duane Hartman

OTHERS: Kent Morgan, Randy Wilson, Steve Masters, Marvin Krout, Nick McElvain, Darrell Podany

AGENDA ITEMS DISCUSSION:

1. Welcome - Russ Bayer, Work Group & Committee TriChair

Russ Bayer opened the meeting at 4:05 p.m., indicating the meeting would conclude at 5:15 p.m. to accommodate schedules. He also reported there would be no meeting the following Tuesday, December 3, 2002.

2. Meeting Summary Notes - November 19, 2002

Russ Bayer acknowledged that the notes of the previous meeting were late in distribution but asked for comments from members who had received the notes. Greg MacLean reported that the reference on Page 3, 3rd paragraph the acronym for Manual Uniform Traffic Devices should be MUTD and there were no other changes.

3. Public Comment Period

There were no public comments.

4. 12-year Baseline Approach: City Staff

Russ Bayer turned the meeting over to staff to discuss the 12-year baseline approach and Kent Morgan distributed copies of material that was also presented by slides (copy attached). Kent reviewed information from material presented to the Finance Group which has been shared with the full committee in abbreviated form. He reported the Finance Group has been working on the issue of a gap and wanted to have some kind of baseline for their analysis.

Kent said one of the charges given to the Finance Work Group was to validate the funding needs for streets, highways, waterways, water, stormwater, and parks for at least the six year period or perhaps a longer period and to confirm that there is a gap and if so, what was the size of that gap. He noted there were 6 elements involved in the discussion about the gap: geographic area—how large an area is being discussed, what are the improvements to be identified specifically, what are the costs of providing those improvements, how much revenue would be generated over a period of time, what is the time line of six years or longer, and growth phasing as to how much development is to occur which begins to define how to lay out the infrastructure.

He reported the time horizon discussed by that group, started with 6 years which coincides with the CIP period for the City, but their group felt that was too short and the 25 year timeframe was too long. He indicated they ended up with a 12 year time horizon because they felt comfortable because it was a dual CIP and, also when referring to the Comp Plan, the phasing as shown in the red on the map on display represented the Tier 1 area which is a 25-year time horizon, the darker green is Tier 2 which is 50 year time horizon and the light green is beyond 50 years. Within the Tier 1 dark green area is the cinnamon area is basically called priority area A that is designated for development over the next 12 years. That committee felt if they were going to use a 12 year time horizon, they wanted to look geographically at what the Plan calls for in the next 12 years. The goal from their perspective is to see what infrastructure services are needed to be put in place so that area can be developed over the next 12 years. Kent pointed out it wouldn't be fully developed but would have services to the area so development could occur. Comparing that to the existing city, that adds about 17 sq. miles to the current city area. He reported that would equate to 1.3 to 1.4 sq. miles per year over the next 12 years. They wanted to see how these elements of this particular area related to the Comp Plan and why it was important. The Plan calls for basin development and the different growth areas were basically developed around a basin approach, so they felt comfortable that this was a reasonable way to go. Kent said it does support multi-directional growth which is one of the Comp Plan goals and the growth tiers, it represents a basic element of the Plan and it supports contiguous growth—on the fringe which allows for logical develop without leapfrogging all over the city. They talked about long term viability of the existing infrastructure and also about the growth issues. The current policy is that city services can only be provided within the corporate city limits so with contiguous growth it allowed them to maintain that policy. He pointed out that included annexation should only occur when adequate public facilities are available and when developing on the edge it should allow the extension of public infrastructure to new areas and as basin development occurs, once that type of infrastructure is available, it would maintain the policy that sanitary sewer would provide for gravity flow. They felt it was important at this point to at least maintain that as one of the basic assumptions they are using. The infrastructure should be in place so urbanization can occur concurrently, so as the area grows there would be water and sewer but also try to have roads in place. Also the basic goal is that infrastructure should be expanded in a logical and timely manner.

Kent reported that group did start with the CIP, with the idea that the older area is a priority area and they wanted to look to see whether the six-year CIP where some of the initial calculations by Public Works are on which the gap is based. They looked at the kind of services that are being

provided and referring to the wastewater facility map, he explained this was the driving force of the five different infrastructure elements with which they began to look as a basic foundation for expansion of the City. He pointed to the next map on display, indicating it showed what the 6-year CIP looks like where some areas already have services, referring to Salt Creek and noting a major relief sewer needs to be put in place before development can be put in place. He reported that a lot of the 6-year development calls for development along Salt Creek and Beal Slough. He said this became the starting point for that committee's work but they wanted to go beyond that, and use a 12 year time horizon and use the Comprehensive Plan as the foundation which would allow them to program infrastructure into Stevens Creek basin east of Lincoln. It also identifies the need for additional discharge improvements and expanding past these for growth and try to be a little more aggressive in terms of some of the improvements that are going to be put in place along Salt Creek and Beal Slough. He said that basically the challenge to see if we can't begin to move forward as quickly as possible. Referring to the next map, Kent said they were trying to see how a phasing program might occur over 12 years based upon the priority Area A of Tier 1.

Beginning with the two treatment plants, Theresa St. and Northeast plant, the numbers provided indicate the number of years in which improvements would occur. Expansion of capacity primarily would occur would primarily occur within the first 5 years for Theresa St. and the first four years at Northeast treatment plant. Kent pointed out they tried to identify in some fashion where some of these major lines would be within the timeframe of 12 years, so in the first couple of years Salt Creek relief sewer would be put in place with a 3-year time horizon and in Area S2, this would not be available for development until the fifth year while some of other areas could be developed now but waiting for additional capacity to be in place in other areas. He said Stevens Creek basin and the main trunk line could begin development the next few years but not reach down to Havelock until the seventh year and be down to O St. in about the tenth year.

He said this became their starting point after they looked at the basic CIP. Then they went to the Category 5 approach which he explained was defined as a hurricane which levels everything and means it is even more aggressive in providing infrastructure, which would require approval be given immediately in order for some of the design work to take place. Kent said this would begin to open up some subbasins prior to some of the downstream improvements being completed. He said in altering the way we manage projects to be as aggressive as we can, there was a red flag put up by Public Works that before anything like this was agreed to they would like to have a further review of the construction feasibility. There are some issues related to r.o.w. and he again pointed out this proposed approach has not been accepted or reviewed by anyone in the community other than the work group.

Displaying slides showing how improvements might begin to flow as part of the CIP, Kent reported that a couple of things happened, one of which was that many of the numbers have been accelerated because while this was being put in place, there would be capacity because it would not be completely developed, there should be sufficient capacity to get development occurring and then go back and install a release relief sewer. In Stevens Creek, if approval is given quickly, then this also gets accelerated, but the initial leg and design work could occur at an earlier date. He said Category 5 accelerates the implementation of infrastructure and staff

thinks the cost will be about the same but with more up front costs and it would be for them to decide how those funds might become available.

The last slide indicated how they are going to plan the financial side and facility side with greater predictability for the private sector. They do feel it is going to happen, but there needs to be commitment in the long term to actually follow through with this plan and he again pointed out there has been no community buy-in at this point. Kent concluded that this was a quick overview of what they have done.

Kent distributed some maps and asked Allan for any comments. Allan pointed out the 3 maps on display and explained the numbers within the gold circles are the years they will be in the ground, not when they will be started which is different from other CIPs in the past. The two maps both cover essentially the same areas and having been asked to cost this out and he reported they used today's costs rather than argue about which inflation rate to use. He said they had been asked to put it together in two 6-yr increments. The differences are between year 5 and year 3 and if they are to have the improvement built by year 3, they would have to start next year designing it, r.o.w. and get the construction and getting it in the ground. Referring to the Stevens Creek area, if it's in year 5, they would have to start real quick so it's in the ground by year 5. He reported the difference in costing the two means that one will be more heavily front loaded in the first 6 years in order to accomplish this in the timeframe that is noted. He pointed out the since the world doesn't end after 12 years, so in addition they will be looking at some of the others areas and so there would be more cost in the second 6-year period to get down to the red areas. He said for now they have been charged with looking at what it takes to do the first 12.

Allan reported that in doing either one, they cannot design all of this in house, they will have to go out for consultants, have to advertise for and select consultants and package the projects so they can get things done. They will need support from City Council who in the past did not like guaranteeing something in future years when another Council would be in place. Staff will also costing this out for water and streets and since sewer is king, as it has been know, they need to get approval that this is an acceptable methodology to do things. Then they will put the costs together. He said with streets, they will be costing out streets for those areas as it appears in the Comp Plan. Allan said if this group comes up with something that is less costly than in the Comp Plan they will deduct the savings from the total cost, but reported they can't wait until this group decides what it wants to build and then go back and cost it out. We will cost out what is in the Comp Plan and then whatever this group comes up with will be deducted and that's how the gap will be determined.

He said Category 5 is really ambitious, and one of the things they talked about is how much can be under construction and not only do they have to get the r.o.w. purchased soon and not wait until the year it is constructed before they start buying r.o.w. which has been the normal practice. He said if they are going in with streets, they are going to have to have some buy in early because they can't go back and redesign it several times in order to have many different alternatives. He said it will be a little different in proceeding and that's why they need the

community buy in. Allan acknowledged they are going to have to take some risks and they have to have some indication from the big committee that it is acceptable very early next year or will they will have to add another year to every one of the numbers due to the required preparations.

If this group can help Public Works get there quicker, he said that would be great, but as it is this is a fairly ambitious program. One of the reasons that the Finance committee went to here (?) was if you look at the CIP that was developed before the Comp Plan was adopted and before Stevens Creek was added, they didn't get into any of those areas until very late in the 6-year plan. This meant that none of this could occur until the year 10, 11 or 12 and if they don't start in the first six years, it will be very late in the second 6-year period before too much can be underway in Stevens Creek or any of the other areas.

He said they looked at it in growing in all directions, and did it without regard to the marketplace, which meant they did not decide that the market wanted growth to occur one place or the other. He said they did the growth as shown in the Plan and if that changes and this group wants to substitute this area or that area, then something else has to go, depending on the capacity of the construction industry and our ability to get the plans out.

Allan reported that one of the things they are doing in association with risk, is they are gambling with sewer line sizes and which if not done correctly could cause some problems, noting the area referred to happened to be in a familiar problem area. He said they do not want that to proceed so rapidly that it happens in someone's basement. He reported they do know this isn't going to build out all at once but we do know you if you are going to accelerate as much as they have been asked to take a look at. Category 5 is as Kent said and everyone has to be in agreement and they has to move forward with it if there is any prayer of making Category 5.

In response to the question, Allan said the Category 5 concept was spurred by the idea in the Comp Plan to get all these areas in the cinnamon area open for development and development occurring in 12 years. He said that doesn't happen as quickly with other plans. There was a great deal of concern that there were not enough lots available and there was going to be a shortage of developable areas. He reported they were asked to approach it this way and not try to outguess the market, just to show what can fiscally be done.

Russ observed from this group's perspective in cost savings, he understood that perhaps by the end of next week some numbers will be in place so at the meeting on the 10th this group will have some numbers which will bring together CIP numbers we saw before it did have inflation built into it and for the first time all 3 groups will be looking at the same numbers. Allan agreed and said they would price both options as well as Category 5 but noted that with Category 5 they will need more money in the first 6 years than the second 6 years.

Jerry Schleich asked about how the group arrived at the priorities, indicating he thought they would have input but it sounded like those came from the Finance committee, but he didn't think the Finance committee talked about those priorities. Mark asked if they came from Planning and Kent explained it was a combination, noting the biggest priority right now from Public Works'

perspective is the sewer because it begins to drive what happens down here. He said until they get the sewer in which is a hugely expensive proposition, so that was the starting point. Then they looked at the two expansions of the pipes and now those are there and then we looked at where some of those things would go and then we knew where pressures to build were and assigned some years to them and in working with the Finance group gave it to them and asked for their input. He noted there were endless possibilities..

Jerry Schleich referred to lift stations and force mains and Allan said those are going to come up. He said laying a force main is not going to be any quicker but Mark pointed out it would be less expensive and the Finance group should be focusing on it. Russ said they had no place to start except the CIP and he thought there was some conversation that the middle plan was based on geography and it made sense that sewer went downhill but they didn't have a place to start and they are trying to get a price on baseline and then we'll look at which way we can do it on what timing. Jerry asked about the statement that it wasn't market driven and Allan explained they did not put a priority on which area they went to first, making their best guess on where they could get in the quickest. Jerry pointed out in the 40 years he has been involved in land development, there have been all sorts of big ideas, particularly in the southwest area that never came to fruition because they were not market driven. Kent asked Jerry how he would do it differently and what market driven meant to him. Jerry replied that market driven was where the public wants to go and then Kent asked how he would draw a map that they can use. Jerry said they have to have that input indicating they can't simply say if one land owner owns so many acres in the southwest area that that's where the City will be going. Allan agreed and explained as they were asked to do it this way and not do it by market driven. He said they put this together and if after looking at it and the consensus is that if we are going to get to one area of the city faster than the other, then we are still saying if we try to do it, that's as fast as we think we can humanly get it done.

Russ said it wasn't market driven nor Finance committee driven, but thought the cinnamon area was Comprehensive Plan driven. Jerry thought they were talking about choices within the area but Russ disagreed, indicating they selected everything the Comprehensive Plan has said to develop in the cinnamon colored area, but did not choose to do one cinnamon area over another cinnamon area. Russ indicated they wanted a price to do every cinnamon project and this group asks if there was an advantage to do one project before another one because it would save money. He said the group should see a price tag for everything being done in the cinnamon. Allan said the reason the numbers were in there was because they didn't think they could get everything before year 5 no matter what. He said the quickest they can get there is 5 years.

Asking if that clarified the issue, Russ further explained they have been driven by the Com Plan and staff felt they should give the group a price tag for everything that is in cinnamon and this group could prioritize. Jerry noted that everything that is going to be a gravity sewer is shown, but Russ reminded him that the group wanted to know what the assumptions were. Kent pointed out this is the starting point for assumptions. Jerry if there is a more cost effective way to do something one place it should be considered now. Allan they are going to give the group the cost of whatever it takes but felt this may be the only place there may be a difference of

opinion as to whether we have a long stretch of force main or a gravity sewer. If you say force main we will say this is how much it is going to cost and then you take that off the cost and you will have closed the gap by that amount. Allan repeated they can't build it any faster with a force main.

Jerry referred to comments about the possibility of a force main all the way down on 84th St. and opening up lots in Stevens Creek, to which Allan and Kent agreed they too had heard that said, but explained it may be less expense but that didn't mean it could be done faster.

Melinda asked if the Northeast treatment plant must be completed before Stevens Creek can be developed and Allan indicated some of it completed before that can be developed. It doesn't need to be completed before doing something in one place or another but it may need to be done before developing into one of the areas.

Russ explained that their charge is to find cost savings and efficiencies in the cinnamon and then with no other direction this plan is what staff might follow and that's what staff is giving the price on and once the group has that, then we add to the list forced main sewer and say if we do that this is savings of so much money and do it in reduced time.

Melinda indicated she thought they were going to get caught up to date in Stevens Creek, which asks if they move Stevens Creek ahead of all the other development which she felt that was going to be a political thing. Russ said he didn't mind having that debate but asked if they shouldn't have the price tag first and if one area is developed before another and would save money, then this group should debate it. Allan explained they can't get there any earlier than they have shown no matter what.

Greg Wood asked Allan about a 24 inch sanitary sewer in Wilderness Creek and Allan reported that was an existing line. Greg said he was looking at cost efficiencies and suggested it wouldn't make sense if you were looking at another 24 inch parallel line and pointed out this is the kind of thing the group would look at. Allan said they said they would gap it and said they have to be somewhat reasonable in what we can deliver.

Russ reminded everyone that they were trying to find where they were at today and make savings from that point. Kent reported to Jerry that the reason they went to 12 years is because of the time situation he had mentioned. As an example, he said if put a force main in and then come back years later and put a gravity sewer in, then you'll have to cost that as part of your 12-year program and maybe that's cost effective but that can be factored into a 12 year program if you want, but we had to have something to begin with.

Mark observed this is a big step in the right direction, but asked about the next step. If we then move from sewers, when you move toward the assumptions for water and streets, do you make the same assumptions that you are doing everything for that entire area or do you scale the assumptions based on population growth? Kent said in terms of water and sewer which have to go together, so in terms of what water we'll be assuming will be something very much similar to

what the sewer was costed. Mark pointed out that is not what Steve told the group about in terms of the need for the 16 inch main around every section when you don't have the population there to use it. Kent, noting he was not an expert, mentioned looping and fire standards, but he thought it would be very close in timing between the water and sewer. He said they will show the group all the detail once they get it filled out. He said on the roads they will cost it out as if it were what's in the Comp Plan today.

Mark said they were not doing any sort of phasing analysis and Kent replied it was a benchmark. This group's charge is how can phasing be determined to make the most effective plan possible.

Russ asked if there were other questions and Jerry indicated he would wait and see and others agreed. Kent asked for suggestions and Jerry said we need to be sure we do these things in the right order. He said they need to look at some of those things that are very critical in determining cost and felt they have to look at them before they come up with cost and it seemed backward. Kent said it was a little bit chicken and egg that they are dealing with right now, but they felt they needed to have something to start with.

Russ noted the goal is by the 5th they will brief the Finance committee so they have some numbers on expenses and we will meet on the 10th and get that same type of briefing.

Greg asked where Category 5 goes from here and Kent reported the full committee accepted it and gave the go-ahead to Public Works to begin to cost out both of these alternatives, which is what they are doing. He said basically they are go though and identify all the infrastructure needs for these two option so they will know what the upper amount is that will be needed. This committee might have cost savings that will affect that cost.

5. Cost Savings & Efficiency Ideas List

Reminding the group they were trying to adjourn by 5:15, he asked the group to look at the first couple of ideas of the Water and Sewer perspective. Kent reported this had been e-mailed but also distributed the updated Work in Progress Ideas List and asked Steve Masters to explain the water ideas on the list to see if they were valid. Russ reported they wanted to talk about utility policies regarding materials and line size, noting that someone on the group put this on the list and indicated the group is decide as a group if this is an idea they want to carry forward and put a tag on it that it has value.

Steve indicated he has combined both water and wastewater and will discuss them together. While he may not have it all covered, he began talking about recommended methods and materials that are typically specified for water and wastewater, basically what they use has evolved over time. He said materials are based and selected on types of construction that are utilized in the city of Lincoln. Steve indicated he thought the committee would describe what bullets they thought important and Russ reported the group had discussed earlier that whoever put it on the list would defend the item and if not, the group was looking to staff to discuss it.

Steve gave an example of when water and sewer main construction through the mid-90's they were not mechanically compacted and water jetting was used by contractors which he reported is not technically approved and considerable settling occurred. Steve said the cost of coming back to repair the settling resulted in a loss of cost savings in terms of the life of the pavement and inconvenience to the public, possible damage to vehicles, and over time the City has gone to requiring a consolidated backfill with mechanical placement. While some of the problems occur, they have evolved to a point that their current approach meets with current recommendations.

Steve said there were many similar situations with joints on pipe, types of material, thickness of pipe, whether doing sacrificial concrete on trunk sewers or whether using a PVC liner and the discussion and debate can go on and on, but what is in place now is the result of trial and error.

Jon Carlson asked specifically about No. 1 and while it he did not put it on the list, he asked if this was suggesting that if you put in the ultimate size of a water or sewer line or do you put in a mid build out size and come back later and add parallel lines to it. Discussion followed with several group members indicating various interpretations of the issue with Greg reporting this was something he put out because people were talking about it, but he did not have a specific agenda about it. He thought it was an issue, asking if they should recommend standardizing on iron or plastic pipe and what is the difference in the cost to the public over time and at the initial time of construction. Mark are we spending more than we need to on materials that are going into those projects, not the size of the pipes.

Steve asked the group for direction and Jon explained that he had jumped ahead and apologized. Jerry asked Steve to supply the bullets he had referred to. Randy explained that on a large number of their projects, it is common procedure to bid alternate materials for cost savings as long as it meets design conditions.

Russ asked if we build public schools to last 80 years, do we need to build them for that long or for 40 years? When we put in a water line do we tell people we want it to last so many years and do we tell people we want material to last so long. When citizens come back and say they don't need a water main that lasts 275 years. We are asking you if you are doing your job right and you are saying you are doing it by the standards, now my question is who set the standards?

Greg MacLean added that on material selection, is there a sense in Lincoln that the city has higher standards than they need to or lower standards, then go from there. If everyone is happy the way it is, then we are wasting our time on materials and we should move on to size and location.

Melinda recommended asking someone who knows such as a civil engineering firm who works in different places. That is something we can ask our target group that we are bringing in. Russ suggested this may be a workshop discussion. Melinda recommended including water, wastewater and stormwater together because they all say the same thing. No. 1 in her opinion should be broken into 4 or 5 different subjects: size and material, use the major lines or parallel, should we do different things about transmission and distribution, indicating she felt could be

simplified. Steve pointed out that he was not sure it makes sense to include stormwater because there is a different approach today trying to make as much use as we can using natural material and not accepting the fact that we lose the stability of the streams.

Steve referred to 3 key points and said on any material that they use, there are positive and negative attributes that need to be balanced. They put a high priority on the long term maintenance requirements for those materials. He said it's possible to get a low pressure pipe in the ground but they would have to come back and replace it, so we have typically tried to optimize how to keep design and initial construction costs down and still have reliable long term service out of the facilities they build. He said there are different lifetimes they are trying to balance and one is the facility planning life and for pipelines, often it is a 50 to 100 year facility planning life for a pipeline and he indicated there are many examples of pipelines that have been in place for 125 to 150 years, so there is a little bit of judgment needed. Another point is what is the term of a revenue bond that has to be issued to finance a pipeline and typically they use 15 - 20 years. It's reasonable to expect the item to function for at least as long as the term of the revenue bonds. Another point in all of this is that there is a unique situation that exists with pipelines is if you consider one pipe diameter you might use in one location and look at the cost of increasing the size by a factor of two, it will cost less than a two-fold expense by increasing the pipe size. In increasing the size, you actually increase the flow that you can push through that pipe. There are considerable savings encountered by at least sizing that pipe as you are able to afford and be able to recognize the service life of the pipe and exceed the term of the financing provisions to build the project. Those are the kinds of things that become important and if you try to transfer that to this map by putting one area within the 25 year time frame, you have somewhat weighted the analysis toward a larger pipe. If you anticipate it will take a long time to fill out one of these basins it may become cost effective to consider a lesser size pipe and phase into it.

The transmission mains the City builds into the CIP are identified based on the anticipated functionality of the system. He reported they do a facility study every 5 years and consultants look at the Comp Plan and identify what is needed to meet the long term service needs of the system. In a water system, he said you would ultimately expect 16" mains on the mile, 12 inch on the half mile. For a while the 12 inch main might serve the needs of the area for a period of time and that's where the phasing within our CIP becomes important to match the growth and annexations that occur in the City.

Indicating this did not seem like a good use of their time, Russ asked why there is not a debate between the persons who made the suggestion and others and said he now understands why we need a workshop. Mark suggested they have engineering firms represented on the committee, and suggested the group could simply send an inquiry to each of them to see whether or not they have any suggestions. He suggested asking what are the possibilities and asking if anyone has any suggestions about how we can cut costs?

Russ indicated he would like to hear the debate on what the City decides and what someone else does then maybe we can step in and suggest a better way to do the project. He asked the group if

this would result in reaching the point where they can make suggestions. Jon Carlson said the process has to be someone suggesting a proposed efficiency and then asking what the City thinks about it. Mark observed this would be asking someone to make a suggestion on how to do that and asking if it would be more efficient. Jon felt that was inherent in the process, hoping the people would do that whether they were told to or not. He said if this is something people are interested in, ask them to bring an idea.

Russ asked for any other thought and Melinda reported she thought Steve had a very good idea and wanted to add it under storm water: require more natural stormwater drainage programs for each new development project. She felt that maybe that means we have some areas where we have natural stormwater collection basins as opposed to pipes?

Russ it's not that we are at an impasse but how will we take these ideas and make something of them. Rick said he was ready to jump on those he suggested but Russ noted the time was getting short and reminded members they wanted to end the meeting at 5:15 p.m.

Greg said unless there is an issue that he thought should be asked and reported he thought the other items are worth more discussion as far as size of lines, etc. He suggested discussions on what size line a developer is required to put in and how does the City decide whether or not they are going to pay for oversizing and how fast is the basin going to develop, etc. He referred to Stevens Creek for example and supposed the sanitary sewer is ultimately going to be 54" or a 78 " or whatever, he asked if at day one with the first development in the upper end of the basin and put the full size in or get an easement big enough so it can be paralleled later or go ahead and look for cost efficiencies of a force main lift station and then what are the triggers for when developers have to put the gravity sewer in. If we have the basis for the cost for what Allan described the group can use that and start talking about how can we save money. Maybe we don't build the full size of the gravity sewer but acquire more easement because in 25 years we will have to put that next size in and there might be efficiencies in the cost over time. He went on to say if the first area is half way up the basin does it qualify to be eligible for a lift station or put a force main in or do we have the costs worked out so we can say which way it will be done and identify if the City will pay to oversize it. He asked what the policy is on this type example. Russ agreed those were good questions but asked how the group will get to the answer.

Greg said the developers know how it has been in the past and probably have ideas on ways they see how it can be done better. Russ announced the group needs to do a little bit of regrouping. He said they have to be more forceful in coming up with the questions we want to ask.

Kent pointed out that part of the idea of the workshop was to have it early and do this, so maybe we got off that track. Russ noted that they couldn't get the workshop done until January and Kent suggested they need to rethink the pace of it so we can get those prioritized on the list of questions out because there are not many aspects. Russ said they have to establish our expectations of city staff, if the group asks Question No. 1, what do we need to know, what staff is doing today and why and then they will be able to get the experts opinion on that. Greg asked if the next piece of information they will get from the City is today's dollars for the 6 and 12

years on those two plans. Russ added that hopefully the group will also get the assumptions on how they got to \$100,000,000 for sewer. Greg suggested that then the group could get to how that can be done more efficiently. Russ added that they would need to know if we put in lift stations what will that cost us down the road.

Jerry said he heard at this meeting that the City has two alternatives for sewers but there maybe eight ways to build that sewer but we only know about two that they have chosen, and indicated he would like to know they have chosen those two and what the alternatives are.

Russ said they need to have an open debate on the other six alternatives for example and then who does that for the group? He suggested that's where the facilitator brings in the experts and staff will have to justify why they do what they are doing today. Jon said in thinking in terms of process, it almost seems they need to be challenged first and indicated he didn't want to spend a lot more time to learn how the city creates their policy on infrastructure placement. Doesn't someone have to present a challenge first, adding he didn't want to learn how to be a city engineer.

Melinda reported she felt the group had gotten some specific information on roads and but didn't feel the group had that kind of information from water and wastewater. Asking if they had received something on water and wastewater and Kent reported they had not because they started out doing the gap presentation based on the six year CIP and then the Finance group said that's not long enough, so they asked us to go for a 12 year plan and now we have to go back and create those figures to show what the 12-year gap would be. He said that's why they haven't brought the numbers to this group. Melinda said she was referring to the information not the numbers.

Russ announced that it was appropriate that the group will take the next week off because it will give them an opportunity to regroup. He explained the regrouping would be nothing more than how does the group approach this and they now have some ideas on how to approach the Ideas List and it was clear that the one on one debate is not going to work for us on this point, but members will get their chance. He said he heard some members asking why the City is doing it the way they are today. He said on every one of the Ideas, they can say the same thing.

Jon pointed out the question should come first and Russ indicated that the Ideas list comprises the questions they want to ask. Russ said during the next week, they are meeting with the facilitator on the workshops and noted they should at the same time discuss the process that we are going to use. We still have to have the ability for individual presented to say they challenge the issues.

Russ said on the following week they will come back with dollars and cents and assumptions and maybe the graphs that Melinda was asking for and a presentation on the process that will be used. He also noted that what the group had done at this meeting would need to be done at the end of the workshops to get to the point where they can make recommendations. He urged members to think of process ideas and they will come back on the 10th with ideas on how to deal

with the Ideas List.

Apologizing for any waste of time at this meeting. Russ adjourned the meeting at 5:20 p.m.
The next meeting will be December 10, at 4 p.m.

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